

*file in McInt.*

April 19, 1963

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[redacted]  
 Government Employees Health Assn.  
 P. O. Box 463  
 Washington 4, D. C.

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Dear Mr. [redacted]

Group Policy GMC-1799

This letter will serve to confirm Mr. A. W. Randall's telephone conversation with you during the week of April 8, 1963.

It was agreed that we would investigate the possibility of adding an out-of-hospital x-ray and lab benefit to the program within the existing premium structure. Our actuaries have completed their review and it is their considered opinion that such a coverage could not be added to the contract without depleting the small reserve that has been accumulated since the last renewal date. Taking this into consideration and the possibility of a future increase in hospital costs, the addition of any increase in benefits without a corresponding increase in premium would place the program in a deficit position during the contract year of November 1, 1963.

The additional rates for the coverage under discussion would be:

1. Out-of-hospital x-ray and lab  
    \$10 deductible   \$75 schedule  
       Biweekly  
         Employee                     .09  
         Employee and Family       .33
2. \$20 deductible   \$100 schedule  
    Biweekly  
       Employee                     .06  
       Employee and Family       .21

I would appreciate it, Len, if you would review these rates and advise whether or not you wish to consider additional coverage at this time or to renew the program at the present rate for

*4/27 - not now  
 no change*

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the existing coverage. In either case, please communicate your decision to the Commission prior to April 30, 1963.

Sincerely yours,

Norman C. Conway  
Service Manager  
Group Div.

NCC:MH

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cc: Joseph E. Jones

✓ cc: Joseph E. Jones - Attn. Tom Premo

Copy to 4/23/63